



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

October 10, 2018

TO ALL INTERESTED PARTIES:

The California Food and Agricultural Code (Code) authorizes the Secretary of Food and Agriculture to establish an assessment of Milk Stabilization Administrative Fees (Fees) on market milk (Grade A) (FAC 62211) and manufacturing milk (Grade B) (FAC 61412) sold in commercial trade channels to fund the operations of the Dairy Marketing Branch.

The current rate of assessment for Grade A market milk is one and two tenths cents (\$0.012) per cwt.: two thirds of which is assessed to producers at \$0.008 per cwt. and one third to handlers at \$0.004 per cwt. The current rate of assessment for Grade B manufacturing milk is one and eight tenths cents (\$0.018) per cwt.; two thirds of which is assessed to producers at \$0.012 per cwt. and one third to handlers at \$0.006 per cwt.

The Code also authorizes the collection of assessments to administer the Pool Plan for Market Milk (FAC 62718). The current rate of assessment for pooled Grade A milk is one and two tenths cents (\$0.012) per cwt. Producers pay all of this assessment.

With the implementation of a Federal Milk Marketing Order in California, both the Dairy Marketing and Milk Pooling Branches are being eliminated. Therefore the assessments collected for both branches are being terminated effective with milk produced after October 31, 2018.

The Department is implementing a stand-alone quota program. The assessments to administer that program will be collected under different authority, which will be detailed in a separate announcement.

Sincerely,

Donald Shippelhouse,
Chief Dairy Marketing Branch
Acting Chief Milk Pooling Branch



ORDER OF THE SECRETARY OF FOOD AND AGRICULTURE
TERMINATING THE FEE TO BE PAID UNDER
CHAPTER 3, PART 3, DIVISION 21 OF THE
FOOD AND AGRICULTURAL CODE OF THE STATE OF CALIFORNIA

WHEREAS, Chapter 3, Part 3, Division 21, Section 62718 of the Food and Agricultural Code of the State of California requires all handlers that purchase or handle market milk from producers subject to the Pooling Plan for Market Milk to deduct from monies owed such producers and pay to the Secretary of Food and Agriculture the money necessary to cover the cost of administering the Pooling Plan for Market Milk.

WHEREAS, a Federal milk marketing order (FMMO) is being promulgated in California

WHEREAS, the Milk Pooling Branch is being eliminated

NOW THEREFORE, I, Don Shippelhoute, Acting Branch Chief of the Milk Pooling Branch acting pursuant to and by virtue of the authority vested in me by Chapter 3, Part 3, Division 21 of the Food and Agriculture Code, do hereby terminate the assessments required to be paid to the Secretary of Food and Agriculture by each handler from market milk payments made to market milk producers effective for milk produced on or after November 1, 2018.

By:



Don Shippelhoute, Acting Chief
Milk Pooling Branch

Date: 10/10/18

ORDER OF THE SECRETARY OF FOOD AND AGRICULTURE
TERMINATING ASSESSMENTS TO BE PAID UNDER
CHAPTERS 1 AND 2, PART 3, DIVISION 21 OF THE
FOOD AND AGRICULTURAL CODE OF THE STATE OF CALIFORNIA

WHEREAS, Section 62211 of Division 21, Part 3, Chapter 2 of the Food and Agricultural Code of the State of California requires every handler in the State of California who purchases or handles market milk from producers, including the handler's own production, to pay the Secretary of Food and Agriculture a fee of four tenths of one cent (\$0.004) per hundredweight of market milk, and to deduct as an assessment from payments made to producers for such market milk, including the handler's own production, the fee of eight tenths of one cent (\$0.008) per hundredweight of market milk and to remit the amount of such assessments to the Secretary of Food and Agriculture; and

WHEREAS, Section 61412 of Division 21, Part 3, Chapter 1 of the Food and Agricultural Code of the State of California requires every handler in the State of California who purchases or handles manufacturing milk from producers to pay to the Secretary of Food and Agriculture a fee of six tenths of one cent (\$0.006) per hundredweight of manufacturing milk and to deduct as an assessment from payments made to producers for such manufacturing milk the fee of one and two tenths cents (\$0.012) per hundredweight of manufacturing milk and to remit the amount of such assessments to the Secretary of Food and Agriculture; and

WHEREAS, a Federal milk marketing order (FMMO) is being promulgated in California

WHEREAS, the Dairy Marketing Branch will be eliminated

NOW, THEREFORE, I, Donald Shippelhoute, Branch Chief of the Dairy Marketing Branch of the California Department of Food and Agriculture, acting pursuant to and by virtue of the authority vested in me by Chapters 1 and 2, Part 3, Division 21 of the Food and Agricultural Code, do hereby terminate the assessments required to be paid to the Secretary of Food and Agriculture by each handler in the State of California who purchases or handles market and manufacturing milk from producers including the handler's own production effective for milk produced on or after November 1, 2018.

By:



Donald Shippelhoute, Chief
Dairy Marketing Branch

Date: 10/10/18